

DHSS LEGACY MEMO

The Legacy of the Department of Health and Social Services During the Markell Administration

When people look at how the policies and programs of the Department of Health and Social Services (DHSS) have improved the lives of Delawareans during the Markell Administration they will find a common theme – we meet communities where they are. And when we meet individuals and organizations, we typically have the same goal: to support them or their clients in living engaged lives in the community among their peers. That DHSS legacy also will include:

- Fewer institution-based services and more community-based services for seniors, people with disabilities, and individuals with behavioral health challenges, assuring that people get access to the right level of care.
- A mental health care system that has achieved critical reforms, while better supporting people with serious and persistent mental illness as they live in their own homes in the community.
- Momentum for ongoing change in the way health care is delivered and paid for in our state, tying payments to an increase in positive outcomes.
- An urgent and growing response to the addiction epidemic, which continues to take too many lives and impact too many families.
- Enhanced opportunities for people with disabilities to live, work, and participate as active members of the community.
- Support for more individuals and families to move out of poverty by empowering them to improve their own financial security.
- A strong safety net for tens of thousands of individuals and families who continue to face economic challenges.



DHSS LEGACY MEMO

Community-Based Services

In 2009, Delaware's long-term care expenditures were tilted too far toward facility-based care over community-based care. Today, those expenditures are shifting away from facilities and toward the community, where consumers want to be served.

WHAT CHANGED

- In Fiscal Year 2009, spending at DHSS' three long-term-care facilities totaled \$64 million. By FY 2016, spending was down 33% to \$42.8 million, accelerated by the decision to close Emily P. Bissell Hospital in September 2015 because of ongoing building maintenance problems and a declining census overall. That ongoing shift is also more cost-effective: For every person DHSS serves in a facility, we can serve three in the community.

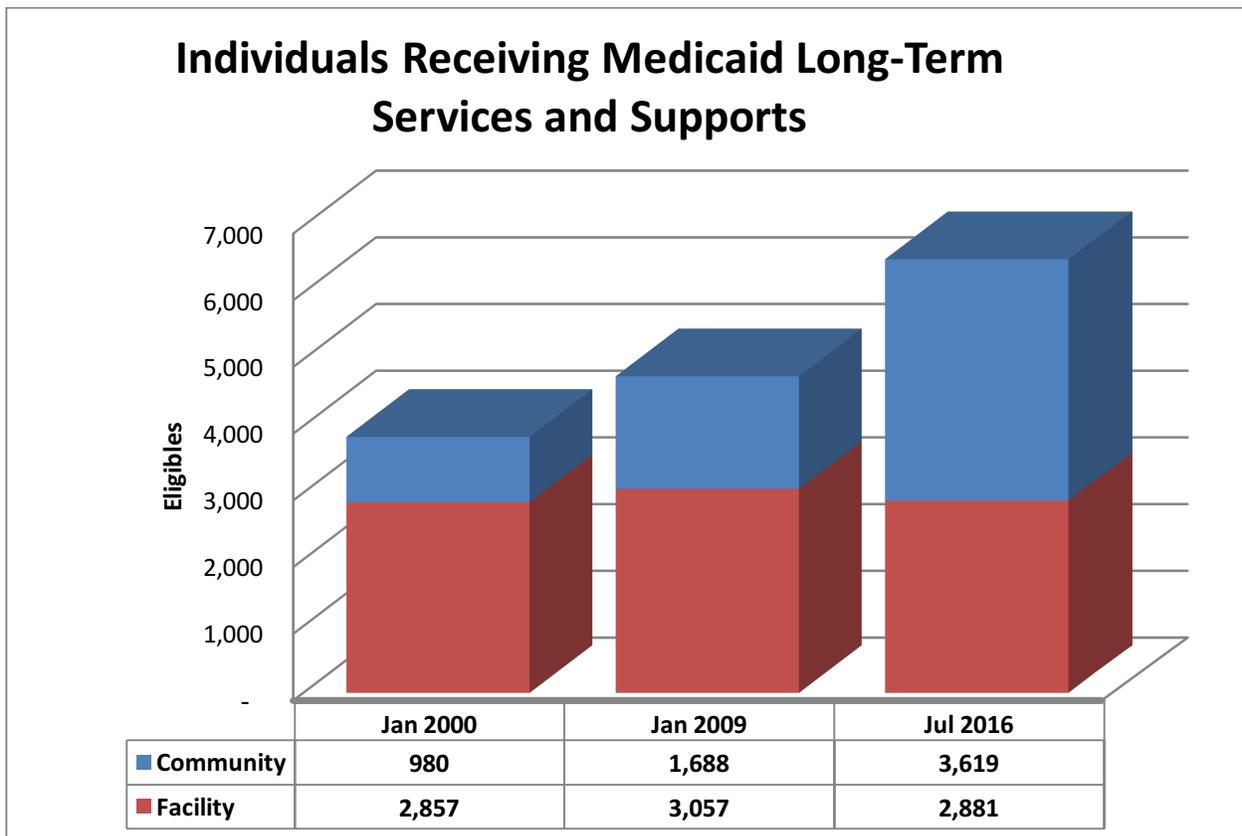
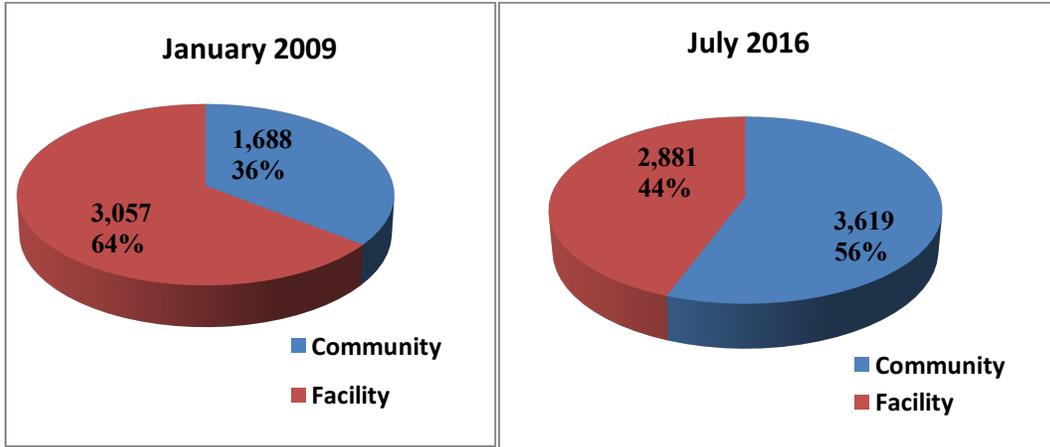


- Since February 2011, DHSS' Care Transitions Team has diverted 86% of individuals (631 individuals as of September 2016) to the community who had been referred to DHSS' three long-term care facilities. With the cost cut to one-third of the average annual nursing home cost of \$100,000 per person, the shift saves \$41.6 million on an annualized basis.

• Since FY 2009, the total census at Emily Bissell Hospital, Governor Bacon Health Center and the Delaware Hospital for the Chronically Ill has been reduced by 45% from 354 residents to today's census of 194, better leveraging the state's resources and facilities, and satisfying the desires of Delawareans to remain engaged members of the community.

- In September 2015, citing the desires of residents to remain where they had been temporarily relocated after a water boiler failure in February 2015 and a declining census, Secretary Landgraf made the decision to close Emily Bissell permanently. A decision on repurposing the buildings will be made in concert with stakeholders.
- Medicaid-eligible Delawareans receiving home and community-based services increased from 1,688 in January 2009 to 3,619 in July 2016, a 114% increase. As of September 2016, another 195 Delawareans are receiving services at the LIFE Center on the Riverfront through Program for All-Inclusive Care for the Elderly (PACE), which began in 2013. And 263 individuals have transitioned from facility-based care to community settings through the Money Follows the Person program, which began in 2008.

DHSS LEGACY MEMO



WHAT WAS DONE

- Launched Delaware Aging & Disability Resource Center (www.DelawareADRC.com) in September 2011.

DHSS LEGACY MEMO

- Moved Medicaid long-term care population from fee-for-service to managed care in April 2012, increasing the menu of services for individuals over the previous fee-for-service model.
- Used housing vouchers through the Delaware State Housing Authority's State Rental Assistance Program (SRAP) to support the transition of 705 individuals from DHSS' facilities to the community, as of July 2016.

Diverting people from DHSS' long-term care facilities to the community, with necessary supports, gives Delawareans what they want and saves \$41.6 million on an annualized basis.

SAVINGS

- Starting in 2011, the diversion of 631 individuals, as of September 2016, to the community who had been referred to DHSS' three long-term care facilities saves \$41.6 million on an annualized basis.
- The closing of Emily B. Bissell Hospital in September 2015 is estimated to save \$2.83 million a year, without layoffs, by reducing staffing, facility upkeep and overtime needs at DHSS' other facilities.

WHAT IT MEANS TO DELAWAREANS

John Talone of Claymont is among the hundreds of Delawareans who have been discharged or diverted from DHSS' three nursing facilities to live in the community with wrap-around supports and services. John likes his own Italian cooking, and after spending four-and-half years in the Delaware Hospital for the Chronically Ill in Smyrna, he now can cook and eat those meals on his schedule at his Claymont apartment.

BY THE NUMBERS

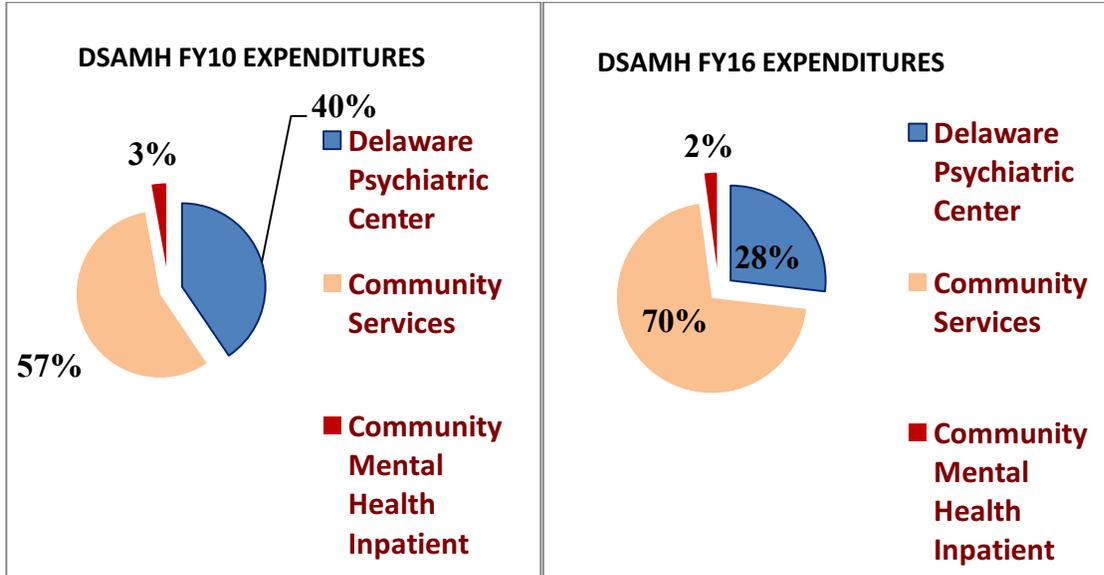
- 1,042: Total census of DHSS' five facilities in 2000.
- 662: Total census of DHSS' five facilities in 2009, down 36% from 2000.
- 358: Total census of DHSS' now four facilities in 2016, down 46% from 2009.



DHSS LEGACY MEMO

THEY SAID IT

“We are all one step away from homelessness. We are all vulnerable.” ~ Charles Johnson, SRAP recipient and founder of Homeless People Are Real People, Too (H.A.R.P.)



Mental Health System Reform

From day one of the Markell Administration, DHSS has worked to improve conditions at the Delaware Psychiatric Center (DPC) and reform how mental health services are provided in the community. A pivotal benchmark in that commitment came in July 2011 when the State of Delaware entered into a five-year Settlement Agreement with the U.S. Department of Justice, which resolved a three-year investigation of DPC. More importantly, that agreement became the blueprint for how Delaware would provide mental health services in the community to the more than 10,000 people today estimated to be living with serious and persistent illness.

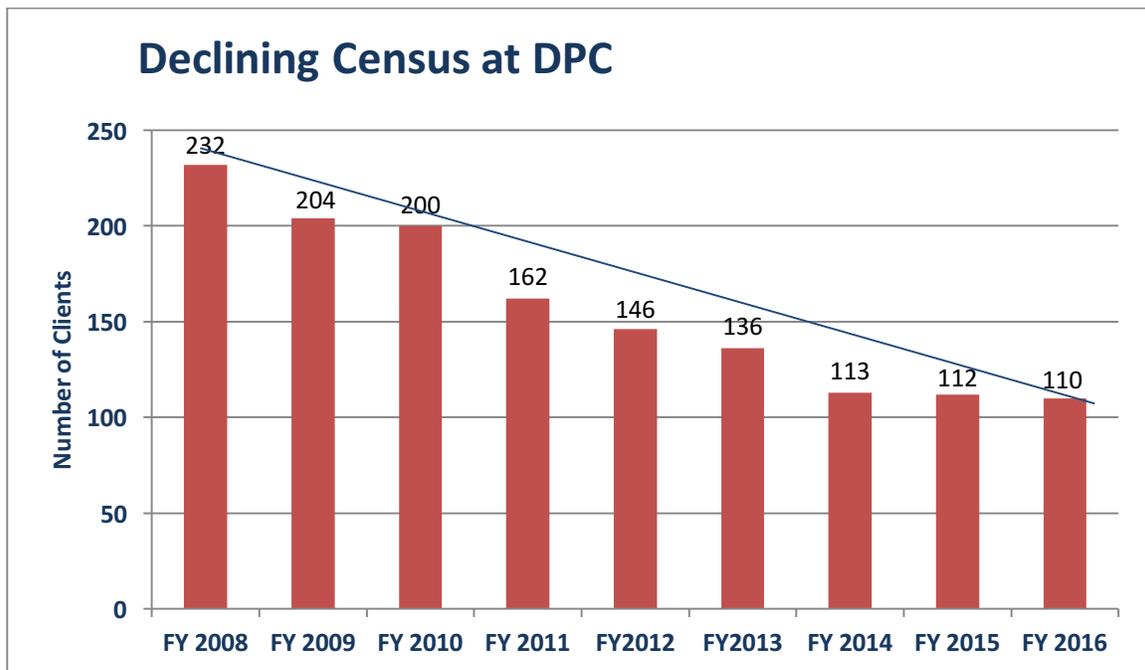
In September 2016, Court Monitor Robert Bernstein issued his 10th report to the U.S. District Court, writing, “The Monitor’s finding that the State is in Substantial Compliance with the Agreement is based not only on the extensive data presented here, but also upon the self-reports of individuals served by Delaware’s public mental health system.” The next step would be for the U.S. Department of Justice to recommend to the Court that the State has met its goals and release the State from the terms of the agreement. Secretary Landgraf agrees that the system is not perfect and needs ongoing improvements and constant vigilance, but she is pleased with the conclusion of the Court Monitor, “The State’s services for people with SPMI are not flawless, but there is increasing unity and momentum regarding the goal of enabling

DHSS LEGACY MEMO

these individuals to move from the social margins and to live as ordinary Delawareans as full members of their communities.”

WHAT CHANGED

- In 2008, only 3,700 people were being served in the community, and too many people with serious and persistent illness were institutionalized, homeless, forgotten, or their families were doing the best they could to patch together support for them. By 2015, more than 8,000 Delawareans – an increase of more than 116% – were receiving an outpatient service.



- As mental health system reforms were instituted and the shift to community-based services took hold, DPC shifted to becoming the acute-care psychiatric hospital it always should have been, licensed for 200 beds. Individuals who have been discharged after years or, in some cases, decades at DPC are receiving intensive treatment in the community with access to housing, employment, clinical services, medications and other services.

WHAT WAS DONE

DHSS LEGACY MEMO

- Created Assertive Community Treatment (ACT) teams – consisting of 10 members plus a psychiatrist – who provide 24/7 services in the community instead of in an office setting, plus Intensive Case Management (ICM) and Community Reintegration Support Project (CRISP) teams directed an individuals with levels of need beyond what is available through ACT. As of Fiscal Year 2016, DHSS has 15 ACT teams, two ICM teams and two CRISP teams, all of whom must respond to clients who are in crisis regardless of the time of day, thereby increasing the chance of de-escalation and reducing unnecessary hospitalizations.
- Reduced by 25% the number of inpatient bed days from 55,785 in FY 11 to 41,515 in FY 16.
- Opened Recovery Response Center (RRC) in Sussex County to support people experiencing a behavioral health crisis. From its opening in September 2012 through June 2015, DHSS' Mobile Crisis and RRC in Ellendale have worked together to divert 74% of clients from hospitalization. A similar crisis walk-in center opened in August 2016 in Newark to serve New Castle County.
- As of Fiscal Year 2016, funded 812 housing units – above the target of 650 set in the Settlement Agreement – for individuals with serious and persistent mental illness so they can lead stable lives in the community.
- Developed crisis apartments in New Castle County and Kent and Sussex counties that provide 24/7 supervision in a stable environment for up to seven days so the client can work through a crisis with the support of the ACT team. In Fiscal Year 2016, 21 beds are available statewide, exceeding the target of the Settlement Agreement.
- Expanded Mobile Crisis Services statewide to 24/7, with a team member required to respond anywhere in the state in less than an hour. In Fiscal Year 2016, the average face-to-face response time was 40 minutes, exceeding the one-hour target of the Settlement Agreement.
- Updated Delaware's civil mental health laws for the first time in 50 years.
- Won approval in January 2015 to implement PROMISE (Promoting Optimal Mental Health for Individuals through Supports and Empowerment). An estimated 3,000 Delawareans with behavioral health needs and functional limitations will be eligible for



DHSS LEGACY MEMO

this Managed Care Organization benefit package, better leveraging Medicaid dollars and increasing employment opportunities.

- Created the position of peer support specialist, someone with a shared life experience, to support individuals in recovery as they navigate the health care system and live in the community.
- Supported legislation signed by the Governor in September 2016 to establish the Behavioral and Mental Health Commission, including the Adult Mental Health Peer Review Subcommittee to monitor the treatment services provides to adults with SPMI.

WHAT IT MEANS TO DELAWAREANS

William and Steve, both of whom have a serious mental illness, share an apartment and are served by a Sussex County ACT team. William has a history of involvement with the criminal justice system. Steve, who has been in the criminal justice system, too, has a co-occurring addiction to alcohol and has been homeless. Like other roommates, William and Steve share the shopping and cooking. ACT team members visit two to three times a week to support them. Today, in recovery, they are living ordinary lives in the community.

BY THE NUMBERS

- 12,826: Delawareans identified as members of the target population of individuals with serious and persistent mental illness, as of December 2016.
- 28,262: Mobile Crisis calls statewide in FY16. With skills in de-escalation and knowledge of services, Mobile Crisis Team members are making a difference in our communities.
- 45 peers: Certified with the state board, as of September 2016. 99 people have completed Peer Support 101, and 122 have completed certification training. In his 10th Report to the U.S. District Court, Court Monitor Robert Bernstein wrote, “In short, Peer Support services and the larger peer movement in Delaware have become a vibrant component of the service system for people with SPMI.”
- DHSS’ 24/7 Mobile Crisis Services in New Castle County: 1-800-652-2929. In Kent and Sussex counties: 1-800-345-6785.



THEY SAID IT

DHSS LEGACY MEMO

“... from the Governor’s Office on down, there is a commitment to serve people with [serious and persistent mental illness], as well as other disabilities, in ways that promote their full participation in community life.” ~ Court Monitor Robert Bernstein

Urgent Response to Addiction Epidemic

The number of Delawareans impacted by addiction has been rising for two decades, mirroring the rapidly rising increase in prescriptions for opioid pain medications. Thousands of people are facing addiction, impacting their families, the treatment and criminal justice systems, and costing hundreds of people their lives from overdoses.

WHAT CHANGED



In 2010, Delaware ranked fifth in the per-capita rate of opioid pain reliever sales, and the state had the ninth-highest drug overdose death rate in the nation. By 2010, the number of overdose deaths in Delaware had surpassed car accidents as the leading cause of death by injury.

By 2012, the thousands of individuals and families impacted by the addiction epidemic were struggling to get the treatment services their loved ones needed, and DHSS was struggling to meet the demand for treatment and recovery services.

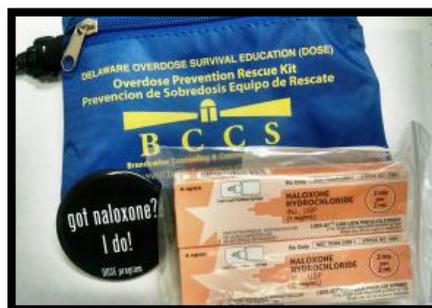
For Delaware, it was an all-hands-on-deck moment. As with any public health crisis, we are working on three fronts – to prevent drug abuse and to educate about the disease; to expand treatment and recovery services; and to control the crisis from a criminal justice standpoint by working to understand how it originated.

WHAT WAS DONE

- In 2012, the Department of State established the Prescription Drug Monitoring Program with the requirement of 24-hour pharmacy reporting.

DHSS LEGACY MEMO

- In February 2012, Gov. Markell established the Prescription Drug Action Committee of stakeholders from across the spectrum, charging the committee with developing a plan to combat the abuse and misuse associated with prescription painkillers.
- In March 2012, the Division of Medicaid required prescribing providers to get preauthorization for long-action opioid medications for Medicaid patients and placed annual limits for short-acting opioid medications. The new requirement affected an estimated 3,500 Medicaid clients.
- In July 2013, Gov. Markell signed the 911/Good Samaritan Law, which encourages people to call 911 to report an overdose without risking arrest for low-level drug crimes.
- In June 2014, as DHSS began to address both capacity and redesign issues, the General Assembly added \$1 million in new resources to DHSS' budget for increased treatment services through the Division of Substance Abuse and Mental Health and increased prevention services through the Division of Public Health.
- In June and August of 2014, Gov. Markell signed two bills – one expanding the use of the overdose-reversing drug naloxone in the community and one allowing it to be used by law enforcement agencies. Today, six police departments are carrying the medication, and all departments have used it to save people's lives.
- In October 2014, DHSS launched www.HelpsHereDE.com, a one-stop website for information about prevention, treatment and recovery services.
- In his State of the State in January 2015, Gov. Markell pledged to make a substantial investment in services for those struggling with addiction. In February, his recommended budget included \$4.45 million in new resources for withdrawal management, residential and outpatient treatment, and recovery living services.



sober living beds across the state, while reforming our treatment system to ebb and flow with an individual's needs, embracing the American Society of Addiction Medicine model. When individuals in active use are ready for treatment, DHSS must have the capacity to support them at that time.

DHSS LEGACY MEMO

- In April 2015, as part of our prevention initiatives, DHSS launched an underage and binge drinking prevention campaign aimed at teens, their parents and other influencers, and college-age binge drinkers.
- The General Assembly passed a resolution in April 2015 permitting school nurses in high schools to carry and administer naloxone. DHSS and the Division of Public Health have secured naloxone to supply the schools.
- In August 2015, the White House Office of Drug Control Policy announced five High-Intensity Drug Trafficking Areas (including Philadelphia/Camden, which includes New Castle County) would form an unprecedented 15-state Heroin Response Strategy. Delaware now has a public health analyst (at DHSS) and a public safety analyst (at DIAC) analyzing data, spotting trends and informing responses.
- Delaware was one of four states selected in August 2016 to participate in a National Governors Association (NGA) Learning Lab on data sharing related to addiction. Delaware will share treatment, law enforcement, EMS and Medical Examiner data.

WHAT IT MEANS TO DELAWAREANS

Tim Miller took a path too many young adults are taking today. In middle school, he tried alcohol. Then he took his grandfather's prescription painkillers from the medicine cabinet, saying they made him feel less socially awkward. Years after high school, having become addicted to heroin, he was sent to Howard Young prison on a burglary charge. Today, he is living in long-term recovery.

BY THE NUMBERS

- 10,000: Number of Delaware adults who sought public treatment in 2015, with about one-third indicating heroin as their primary drug at the time of admission.
- 228: The number of people who died from suspected overdose of any substance in 2015 – that's more than one son, daughter, mother, father, sister or brother every other day. The youngest person to die from an overdose was 15; the oldest was 87. The average person to die was a 42-year-old white male from suburban New Castle County.
- 2,380: Number of people who have been administered naloxone by EMS and police officers from 2014 through May 2016.
- 1,576: Number of people in the community who have been trained to use naloxone, as of February 2016. Secretary Landgraf is among those who have been trained to administer naloxone.
- 14: Number of police stations with 24/7 Drug Take-Back collection containers to encourage the disposal of unwanted, unnecessary or expired medications.

DHSS LEGACY MEMO

- 15: Beginning in 2015-2016 school year, number of hours of drug and alcohol education required before graduation for every public high school student.

THEY SAID IT

"I never wanted anything more than how bad I wanted to be clean and sober in that moment," said Tim Miller, who underwent detox in prison and now has four years in recovery.



Enhanced Opportunities for People with Disabilities

With the Americans with Disabilities Act celebrating its 25th anniversary in 2015, the civil rights for the one in five Americans with a disability are even more entrenched. While inclusion grows with each successive generation, there is still much more work to do in terms of health equity, housing options, transportation, education, financial self-sufficiency and especially employment.

WHAT CHANGED

- Under Governor Markell's leadership and in partnership with the business community, Delaware reported an 8.6 percent increase in active employment from 2011 to 2013 among the 187,000 people with disabilities. The Governor also has made the hiring of people with disabilities a priority for state government, using hiring practices and programs to increase employment levels.
- As Chair of the National Governors Association from 2012 to 2013, Governor Markell made advancing employment opportunities for people with disabilities his yearlong initiative. With his business background, he knows that companies' bottom lines should be about embracing a person's ability, not their disability. The Governor laid out how to advance employment opportunities in his blueprint to his fellow governors, "A Better Bottom Line: Employing People with Disabilities."
- As the former director of The Arc of Delaware and NAMI Delaware, Secretary Landgraf has spent more than 30 years supporting individuals with



DHSS LEGACY MEMO

disabilities. She served as a key adviser to the Governor during his NGA initiative, and was appointed in January 2015 to the U.S. Department of Labor's U.S. Advisory Committee on Increasing Competitive Integrated Employment for Individuals with Disabilities.

- As Secretary, she is dedicated to increasing opportunities for all people with disabilities. Opportunity begins with a job, a place to live, good health, supports and services, and financial well-being.



WHAT WAS DONE

- In July 2012, the Governor signed the Employment First Act, requiring state agencies to consider, as their first option, competitive employment for individuals with disabilities.
- To increase hiring of qualified individuals with disabilities, the State uses such tools as Selective Placement, Temp to Perm, casual seasonal hires, and internships and career exploration.



- In 2013, a work group was tasked with advancing hiring opportunities for people with disabilities in state government.
- As part of that work, the group commissioned the University of Delaware to conduct an online survey of state employees to better understand disability awareness. More than 5,000 state employees responded, identifying two key areas for improvement: HR training related to disability awareness and refinement of state hiring practices in order to recruit qualified applicants with disabilities.
- In October 2014, the Office of Management and Budget launched "Focus on Ability," disability awareness training for all employees, with a separate module for hiring managers.
- Working with the Governor, Secretary Landgraf helped to facilitate a relationship with Specialisterne, a global organization dedicated to training and promoting the hiring of individuals on the autism spectrum, and CAI, a global IT company with offices in Delaware.

DHSS LEGACY MEMO

- DHSS has hired several Specialisterne contractors to do document scanning. One graduate of Specialisterne is now a state employee in the materials center for the



Division for the Visually Impaired.

- By the end of 2015, CAI has committed that 3 percent of its workforce will be individuals on the autism spectrum.
- In late 2015, DHSS created a video to promote employment for individuals with disabilities that highlights the jobs or expectations of five Delawareans. The video will be shown and discussed with individuals, families and prospective employers.
- In 2015, Delaware's Disability Mentoring Day was expanded from New Castle County to all three counties. More than 60 students participated in job-shadowing at nearby workplaces.
- To support young people with disabilities and their families, DHSS earned approval from the Centers for Medicare and Medicaid Services in January 2015 for Pathways to Employment, becoming the first state to support young people with disabilities as they make the transition from school to the world of work. As of September 2016, 248 young people age 14-25 have enrolled in Pathways, with 180 more identified as potential candidates. The Medicaid program helps to reduce the barriers to employment through such services as assistive technology, non-medical transportation, career exploration, personal care and financial coaching.
- The financial empowerment program, \$tand By Me, created in 2011 in partnership with the United Way of Delaware, supports people with disabilities in managing their finances with free one-on-one coaching.
- Medicaid for Workers allows people with disabilities to buy into Medicaid in order to keep the supports they need while they are employed.
- In June 2015, Delaware became the 19th state to create an Achieving a Better Life Experience (ABLE Act) program, following a December 2014 federal law creating the program. The state Department of Finance is devising rules for the tax-free savings accounts for disability-related expenses.
- Because a Delaware public health assessment found a number of health disparities among people with disabilities – including obesity rates, higher rates of smoking, and higher rates of chronic conditions such as diabetes, heart disease and depression, DHSS is requiring its divisions and programs to include a person's disability status when

DHSS LEGACY MEMO

demographic information is collected. That information will allow DHSS to remove barriers to care and increase access.

- In August 2016, the Governor signed legislation supporting the hiring of people with disabilities by providing tax credits to Delaware employers who hire people through the Division of Vocational Rehabilitation. The tax credit will begin in 2017.
- To support people with disabilities, the Governor signed legislation in September 2016 providing the option of a supported decision-making agreement for adults who do not need a guardian but who need assistance in gathering information, making decisions, and communicating those decisions.



WHAT IT MEANS TO DELAWAREANS

- Jessica Hengst, who has Down syndrome, folds towels and cleans the pool area at Mainstay Suites in Dover and has a second job at Old Navy in the Dover Mall. One day, her mom said she would like her to live on her own.
- A gun incident in Philadelphia led to Dwayne Adams losing his left eye and having only partial vision in his right eye. Job specialists asked him if he wanted to sell newspapers at a stand. He told them he wanted to become a massage therapist. He built on that interest in physical health, and today owns Breaking Barriers fitness center in Wilmington.
- Establishing an expectation of a lifetime of work is crucial for young people with disabilities. For Rick and Amy Kosmalski of Bear, the expectations for Kayla, their 10-year-old daughter with Down syndrome, are no different than they are for Logan, their 5-year-old son without a disability. The Kosmalskis believe Kayla and Logan each can be whatever they want to be.

BY THE NUMBERS

- 36.4%: Percentage of Delawareans age 18 to 64 with disabilities who are employed.
- 248: Number of young people age 14-25 enrolled in Pathways to Employment to support them in transition from school to the world of work.
- 5,000: Number of state employees who responded to a 2013 UD survey about disability awareness in the workplace.



DHSS LEGACY MEMO

- 12%: Percentage of individuals with disabilities among all people served by the financial empowerment program \$tand By Me since 2011.
- 1,008: Estimated number of people with disabilities expected to create ABLE savings accounts in Delaware by Fiscal Year 2017.

THEY SAID IT

“Disability Mentoring Day is a great opportunity for kids to learn about different jobs, to be involved with the community.” ~ Jay Siegel, a 2014 Disability Mentoring Day Graduate

Health Care Reform and Innovation

Beginning in March 2010 when the Affordable Care Act was signed into law, Delaware has been on the superhighway of health care reform. As the lead state agency, DHSS has worked to implement its state-federal partnership Health Insurance Marketplace, with coverage beginning



Jan. 1, 2014, and the expansion of Medicaid, with coverage beginning on the same date. DHSS has been a significant partner in designing a plan and applying for a federal Center for Medicare and Medicaid Innovation (CMMI) grant and implementing the plan to change the way health care is delivered and paid for in Delaware.

WHAT CHANGED

- In 2008, Delaware’s insured rate was estimated at 11.2 percent, or 101,000 individuals. That rate ranked Delaware 33rd among the states. By 2015, that percentage was down to 5.9 percent, with an estimated 54,000 Delawareans without coverage. Delaware now has the 9th-lowest uninsured rate in the country.
- Delaware’s health care costs are 25 percent above the national average, with \$8 billion spent annually on health care and 22 percent of the State budget devoted to health care costs.
- Those expenditures have not resulted in a high rate of positive outcomes. Delaware’s rate for such diseases as diabetes, obesity and cancer are above the U.S. average, and the health of many Delawareans remains at or below average on many measures.

WHAT WAS DONE

DHSS LEGACY MEMO

- Delaware adopted a state-federal partnership for its Health Insurance Marketplace, meaning Delaware would retain responsibility for plan management and consumer assistance, while the federal government would be responsible for information technology through HealthCare.gov.
- Through the first three years, 28,256 Delawareans enrolled for private health insurance plans, with enrollment almost doubling from Year 1 to Year 3 – one of the highest increases in the country.
- In July 2013, Gov. Markell expanded eligibility for Medicaid up to 138 percent of the Federal Poverty Level beginning Jan. 1, 2014. Through January 2016, 9,896 Delaware adults were eligible for coverage through the expansion.
- Beginning in 2013, more than 100 stakeholders, including those representing hospitals, providers, insurers, educational institutions, patients, and government, came together to develop Delaware’s health innovation plan.
- Based on that plan, Delaware was awarded a four-year, \$35 million grant from the Centers for Medicare and Medicaid Innovation (CMMI) to transform the state’s health care delivery system by using a total investment of \$130 million over four years.



- In 2015, the Delaware Center for Health Innovation, a not-for-profit organization, was created to carry out the innovation work. The DCHI Board created six committees: Clinical, Workforce and Education, Payment, HIT, Healthy Neighborhoods, and Patient/Consumer Advisory. Two multi-payer, value-based payment models will be offered statewide: Pay-4-Value and Total Cost of

Care.

- Delaware’s goals by 2018 are to become one of the five healthiest states in the U.S.; to achieve top performance for quality and patient experience; and to bring health care spending growth more closely in line with the growth of the economy.

WHAT IT MEANS TO DELAWAREANS

Felipe Hernandez, a 26-year-old machine operator from Wilmington, did not have insurance coverage like his wife and daughter did. Relatives told him about the Health Insurance Marketplace and he enrolled for coverage beginning in 2014 and re-enrolled for 2015. Hernandez, who pays a monthly premium of about \$73, said he is now more hopeful about the future for him and his family.

BY THE NUMBERS

DHSS LEGACY MEMO

- 38,152: Number of Delawareans who have gained access to care through the Marketplace and Medicaid expansion as of January 2016.
- 82%: Percentage of Delawareans eligible for tax subsidies on the Health Insurance Marketplace, with the average monthly premium after tax credit at \$150 as of January 2016.
- \$35 million: Amount of federal grant Delaware received to change the way health care is delivered and paid for.

THEY SAID IT

“I’ve gone to the doctor for exams, blood work, and medications to prevent future illness. My health has improved a lot. I’m not going to go broke because I get sick.” ~ Felipe Hernandez, who bought private coverage on the Health Insurance Marketplace

Financial Empowerment and a Strong Safety Net

Soon after becoming Cabinet Secretary, I asked my leadership what the department was doing to foster self-sufficiency. Their answer was: We provide benefits.

Our mission as a department is to foster self-sufficiency, and while benefits can supplement in a crisis as they did for so many families during the Great Recession, they will never provide financial sustainability or security.

Delaware’s household financial demographics speak to the need for this focus. According to the U.S. Census, of the 335,707 households in Delaware in 2013, 42% had incomes below \$50,000, and 29% had incomes below \$35,000. Many of these households have traditionally struggled with monthly expenses that exceed income. They have no savings or safety net, supplement their income with credit, have low credit scores and high debt, are exploited by the “fringe” financial sector, and lack access to maintain financial services.

With the support of Governor Markell, we launched \$tand By Me, Delaware’s financial empowerment partnership with the United Way of Delaware, in 2011. \$tand By Me, which is headquartered in DHSS, has as its core service free personal financial coaching. The coach never dictates, but rather asks each customer to identify their own challenges and goals, and come with a customer-driven action plan.

WHAT HAS CHANGED

- Through June 2016, \$tand By Me had served almost 60,000 Delawareans through financial coaching, workshops, college financial aid applications, and free tax

DHSS LEGACY MEMO

preparation. Of those 11,000 have participated in personal financial coaching to improve their financial well-being.

- Collectively, \$tand By Me coaching customers have reduced their debt by \$4.5 million, increased their savings by \$2 million, raised their credit score by an average of 52 points, established 5,056 budgets and established 14,000 personal financial goals. High school parents and their students have filled out 3,700 college financial aid applications and 7,409 attended financial aid workshops.
- In addition to its employer- and school-based programs, \$tand By Me has special programs for Delawareans 50 and older, Hispanics, childcare families and employees, aspiring home owners, veterans, people with disabilities, and students in community college and workforce development programs. Because of the number of low-income employees in DHSS, Secretary Landgraf added \$tand By Me coaching as an employee benefit.

WHAT WAS DONE

- To build security for the future of \$tand By Me beyond the Markell Administration, legislation was introduced and passed in 2015 to codify the Office of Financial Empowerment within DHSS.
- In March 2015, DHSS was one of 10 states to earn a competitive federal grant for Delaware WONDER (Work Opportunity Networks to Develop Employment Readiness), an innovative program that works with local partners to provide job training and intensive case management to Delawareans who receive food benefits and have limited



job skills or work experience. Through the \$18.8 million grant, about 20 percent of the 147,000 Delawareans who receive food benefits will be eligible for job training in four areas: construction trade, culinary arts, manufacturing and broad job-placement. The program began in February 2016 and has 750 people enrolled as of September 2016 –half participating in the new employment tracks and half in a control group.

- The economic impact of the Great

Recession affected tens of thousands of individuals and families who were accustomed to helping others, not being the ones who needed support. Today, while the growth of enrollment has slowed, the numbers remain high: 222,000 Delawareans are enrolled in Medicaid as of Fiscal Year 2017; 147,000 are receiving food benefits. Until the financial challenges that affect so many Delawareans end – especially those on the lower end of the income scale – DHSS will continue to provide a strong safety net.

DHSS LEGACY MEMO

WHAT IT MEANS TO DELAWAREANS

Three years ago, Waldemar Colon, who works at Dover Downs Hotel & Casino, and his wife wanted to buy a house, but their credit scores weren't high enough to get a mortgage. Waldemar, a \$tand By Me client, worked with his financial coach and, together, they developed a strategy for him to raise his credit score. With financial empowerment provided through \$tand By Me, the Colons bought their house.

THEY SAID IT

"This is why we do what we do. It gives people the foundation and stability to try and pursue a better life." ~ Governor Jack Markell at the July 2015 bill signing to codify the Office of Financial Empowerment within DHSS

